Case 2:11-cv-00730-JAT Document 1 Filed 04/13/11 Page 1 of 11

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Jeffrey Weiss (AZ Bar No. 012012) jweiss@weissiplaw.com

Karen J.S. Fouts (AZ Bar No. 019993)

kfouts@weissiplaw.com

WEISS & MOY, P.C.

4204 N. Brown Avenue

Scottsdale, Arizona 85251 Tel: (480) 994-8888

Fax: (480) 947-2663

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Attorneys for Plaintiffs

COSMETIC ALCHEMY, LLC and

STELLA INTERNATIONAL, LLC

UNITED STATES DISTRICT COURT DISTRICT OF ARIZONA

COSMETIC ALCHEMY, LLC, an Arizona limited liability company, and STELLA INTERNATIONAL, LLC, an Arizona limited liability company,

Plaintiffs,

v.

AMAZON.COM, INC., a Delaware corporation,

Defendant.

CASE NO.:

COMPLAINT

(Jury Trial Demanded)

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Plaintiffs Cosmetic Alchemy, LLC ("Cosmetic Alchemy") and Stella International, LLC ("Stella") (collectively "Plaintiffs"), by their undersigned counsel, for

their Complaint against Defendant Amazon.com, Inc. ("Amazon"), state and allege as

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NATURE OF THE ACTION

1. This action arises under the Lanham Act, 15 U.S.C. § 1051, et seq., and further includes a non-federal claim over which this Court has pendent jurisdiction.

THE PARTIES

- 2. Plaintiff Cosmetic Alchemy, at all times relevant to this Complaint, was and is a limited liability company organized and existing under the laws of the State of Arizona, having a principal place of business located at 21827 N. Scottsdale Road, Building H, #100, Scottsdale, Arizona 85255. The sole member of Cosmetic Alchemy is Beautiful Easy, LLC, which is also an Arizona limited liability company, and the members of Beautiful Easy, LLC are Scott A. Wasserman ("Wasserman") and The Raxman Trust (of which Wasserman is Trustee). Wasserman is a citizen and resident of the State of Arizona.
- 3. Plaintiff Stella, at all times relevant to this Complaint, was and is a limited liability company organized and existing under the laws of the State of Arizona, having a principal place of business located at 21827 N. Scottsdale Road, Building H, #100, Scottsdale, Arizona 85255. The sole member of Stella is Beautiful Easy, LLC, which is also an Arizona limited liability company, and the members of Beautiful Easy, LLC are Scott A. Wasserman ("Wasserman") and The Raxman Trust (of which Wasserman is Trustee). Wasserman is a citizen and resident of the State of Arizona.
- 4. On information and belief, Defendant Amazon is a corporation organized and existing under the laws of the State of Delaware, having a principal place of business located at 1200 12th Avenue South, Suite 1200, Seattle, Washington 98144.
- 5. On information and belief, Amazon regularly conducts and transacts business throughout the United States and abroad, including within this judicial district, through its promotion and sale of various products to consumers residing in this judicial district including its promotion and/or sale of infringing products, as alleged herein, on its website at www.amazon.com.

JURISDICTION AND VENUE

- 6. Jurisdiction is proper in this Court under the Lanham Act, 15 U.S.C. § 1121, and pursuant to 28 U.S.C. §§ 1331, 1338, and 1367.
- 7. This Court has personal jurisdiction over Amazon and venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and (c). A substantial part of the events or omissions giving rise to Plaintiffs' claims herein occurred in this judicial district.

ALLEGATIONS COMMON TO ALL COUNTS

- 8. Cosmetic Alchemy manufactures and sells cosmetic and cosmeceutical products.
- 9. Among the products manufactured and sold by Cosmetic Alchemy are LiLash®, an eyelash stimulator product, and LiBrow®, an eyebrow stimulator product.
- 10. Pursuant to an exclusive license from Stella, Cosmetic Alchemy has been selling its eyelash and eyebrow stimulator products under the trademarks LILASH, LI LASH, and LIBROW (collectively, "the LILASH Marks"), since 2008.
- 11. Stella is the owner of all right, title, and interest in and to United States
 Trademark Registration No. 3,669,905 for LI LASH for "cosmetic eyelash products,
 namely, make-up, mascara, eyelash conditioner and eyelash conditioner used for eyelash
 rejuvenation" (the "'905 Registration"), issued on August 18, 2009. The '905
 Registration is valid and subsisting and in full force and effect. A true and correct copy
 of the '905 Registration is attached hereto as Exhibit A.
- 12. Stella is the owner of all right, title, and interest in and to United States Trademark Registration No. 3,920,521 for LILASH for "cosmetic eyelash products, namely, make-up, mascara, eyelash conditioner used for eyelash rejuvenation" (the "'521 Registration"), issued on February 15, 2011. The '521 Registration is valid and subsisting and in full force and effect. A true and correct copy of the '521 Registration is attached hereto as Exhibit B.

- 13. Stella is the owner of all right, title, and interest in and to United States Trademark Registration No. 3,923,777 for LIBROW for "cosmetic eyebrow products, namely, make-up, mascara, eyebrow conditioner for eyebrow rejuvenation" (the "'777 Registration"), issued on February 22, 2011. The '777 Registration is valid and subsisting and in full force and effect. A true and correct copy of the '777 Registration is attached hereto as Exhibit C.
- 14. As a result of extensive use, advertising, and promotion of the LILASH Marks in interstate commerce, Stella is also the owner of significant common law rights in the LILASH Marks.
- 15. At all times relevant to this Complaint, Cosmetic Alchemy has been and is Stella's exclusive licensee under the '905, '521, and '777 Registrations.
- 16. Cosmetic Alchemy sells its LiLash® and LiBrow® products directly to consumers and, in addition, sells these products through authorized distributors.
- 17. Cosmetic Alchemy maintains strict quality control standards for its products.

 All authorized LiLash® and LiBrow® products sold by Cosmetic Alchemy contain a serial number and a batch number for authenticity, security and quality control purposes.
- 18. Cosmetic Alchemy has spent considerable sums of money in the advertising and promotion of its products bearing the LILASH Marks, including the LiLash® and LiBrow® products.
- 19. As a result of extensive use, advertising and promotion of products bearing the LILASH Marks, including the LiLash® and LiBrow® products, the LILASH Marks have become closely associated with Plaintiffs, and have acquired great value and goodwill and identify Plaintiffs, and the LiLash® and LiBrow® products, exclusively.
- 20. Plaintiffs have discovered that products bearing the LILASH Marks are being offered for sale by unauthorized sellers through Amazon on Amazon's website at www.amazon.com. Such products are claimed to be "by Cosmetic Alchemy," "by LiLash," or "by LiBrow."

- 21. For example, a seller known as "Lashvitamin" has been and, at the time of the filing of this Complaint, is currently offering for sale through Amazon on Amazon's website eyelash and eyebrow products bearing the LILASH Marks. True and correct copies of representative samples of Lashvitamin's listings for such eyelash and eyebrow products, as they appear on Amazon's website, are attached hereto as Exhibit D (the "Lashvitamin Listings").
- 22. While the Lashvitamin Listings are for products that bear the LILASH Marks, and which claim to be "by Cosmetic Alchemy," "by LiLash," or "by LiBrow," these products lack a serial number and/or batch code. In this regard, the Lashvitamin Listings claim that the products are being sold without their packaging, which means that the products do not bear the serial numbers and/or batch codes associated with authentic Cosmetic Alchemy products.
- 23. The absence of a serial number and/or batch number means one of two things. One possibility is that the products being sold under the Lashvitamin Listings are counterfeit. The second possibility is that the products authentic, but the seller has removed the serial number and/or batch number in an effort to circumvent Cosmetic Alchemy's program for ensuring authenticity, quality control and safety. Under either scenario, the public safety is at risk. Since the products are intended to be used near the eyes, counterfeit products being sold for such use involve a risk that such products are unsafe. Further, products being sold without their serial number and/or batch number put the public safety at risk by removing means of recall and means of product dating.
- 24. The products being sold and/or offered for sale on Amazon's website under the Lashvitamin Listings are not authorized or consented to by Cosmetic Alchemy, or any agent acting on its behalf.
- 25. Cosmetic Alchemy has not directly supplied product to Amazon for resale and has not authorized any of its resellers or distributors to supply product for resale on Amazon's website.

- 26. Cosmetic Alchemy has written contracts with its distributors which expressly prohibit the distributors from selling to any online catalog, including specifically to Amazon.
- 27. On February 25, 2011, Cosmetic Alchemy contacted Amazon by email, notifying Amazon that unauthorized LiLash® and LiBrow® products were being offered for sale on Amazon's website, and requesting the immediate removal of such product offerings from Amazon's website. A true and correct copy of the February 25 email is attached hereto as Exhibit E.
- 28. By email dated March 24, 2011, Amazon responded, requesting further information from Cosmetic Alchemy regarding the products being sold under the Lashvitamin Listings, including the "Order ID Number(s)" and "links" to the product listings at issue or the "ASIN" of such product listings. A true and correct copy of Amazon's March 24 email is included in an email chain attached hereto as Exhibit F.
- 29. Sometime between March 24 and April 5, 2011, Cosmetic Alchemy responded to Amazon's March 24 email, providing the information that Amazon requested regarding the products being sold under the Lashvitamin Listings. Among other things, Cosmetic Alchemy provided to Amazon the following ASINs for the products at issue: B0039YQ7WY and B004I6ATIA. Also in that email, Cosmetic Alchemy requested the immediate removal of the Lashvitamin Listings from Amazon.com. A true and correct copy of Cosmetic Alchemy's email is included in the email chain attached hereto as Exhibit F.
- 30. By email dated April 5, 2011, Amazon responded to Cosmetic Alchemy. In the April 5 email, Amazon specifically noted: "Please be advised that we are in the process of removing the seller listings you identified below from the detail pages you indicate on Amazon.com. It typically takes 2-3 days for a listing to disappear once it has been removed from our catalog." A true and correct copy of Amazon's April 5 email is included in the email chain attached hereto as Exhibit F.

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- 31. Despite Amazon's written assurance to Cosmetic Alchemy that it was in the process of removing the Lashvitamin Listings, six days after Amazon sent its April 5 email, the Lashvitamin Listings still remained on Amazon's website. Thus, on April 11, 2011, Cosmetic Alchemy sent Amazon yet another email, notifying Amazon that the Lashvitamin Listings had not yet been removed and requesting that the situation be corrected "expeditiously." A true and correct copy of Cosmetic Alchemy's April 11 email is included in the email chain attached hereto as Exhibit F.
- 32. To date, Amazon has failed to remove the unauthorized LiLash[®] and LiBrow[®] product offerings from its website, and continues to intentionally offer these products for sale on its website without Plaintiffs' consent.
- 33. Amazon's continued offering for sale of the unauthorized LiLash® and LiBrow® products on its website is causing irreparable harm to Plaintiffs and, in addition, is putting the public safety at risk.

COUNT I: TRADEMARK INFRINGEMENT – 15 U.S.C. § 1114

(by Plaintiff Stella)

- 34. Stella repeats and by this reference incorporates each and every allegation set forth in Paragraphs 1-33 of the Complaint as though set forth in full herein.
- 35. Stella is the owner of the '905, '521, and '777 Registrations for the LILASH Marks.
- 36. The unauthorized sale, offer for sale, and promotion on Amazon's website of the infringing LiLash® and LiBrow® products is likely to cause confusion or to cause mistake or to deceive as to affiliation, connection, or association of Amazon and/or Lashvitamin with Stella (and/or Stella's exclusive licensee, Cosmetic Alchemy) and the LILASH Marks, or as to the origin, sponsorship, or approval of the unauthorized products.
- 37. The actions of Amazon as alleged herein have been without Stella's consent. Amazon's actions constitute infringement of the federally registered LILASH Marks.

- 38. Amazon has failed to remove the unauthorized, infringing LiLash® and LiBrow® product offerings from its website despite having received notice that such product offerings violate the trademark rights in the LILASH Marks. Amazon's activities, particularly after receiving such notice, render Amazon's infringement intentional and willful.
- 39. As a direct and proximate result of Amazon's conduct alleged herein, Stella has suffered damages in an amount to be proven at trial.
- 40. Amazon's intentional and willful violations of the trademark rights in the LILASH Marks entitles Stella to an award of enhanced damages and attorneys' fees, pursuant to 15 U.S.C. § 1117.
- 41. Stella has no adequate remedy at law and, if Amazon's activities are not enjoined, will continue to suffer irreparable harm and injury to its goodwill and reputation.

COUNT II: FALSE DESIGNATION OF ORIGIN – 15 U.S.C. § 1125

- 42. Plaintiffs repeat and by this reference incorporate each and every allegation set forth in Paragraphs 1-33 of the Complaint as though set forth in full herein.
- 43. Amazon's actions as alleged herein including, but not limited to its continued selling, offering for sale, and/or promotion of the unauthorized infringing LiLash® and LiBrow® products on its website constitute a false designation of origin, false or misleading descriptions of fact, and/or false or misleading representations of fact.
- 44. Amazon's actions as alleged herein are likely to cause and, on information and belief, have already caused confusion among the public, and are likely to deceive and, on information and belief, have already deceived customers concerning the source, origin, sponsorship or approval of the infringing LiLash® and LiBrow® products offered on Amazon's website.
- 45. As a direct and proximate result of Amazon's conduct alleged herein, Plaintiffs have suffered damages in an amount to be proven at trial.

46. Plaintiffs have no adequate remedy at law and, if Amazon's activities are not enjoined, will continue to suffer irreparable harm and injury to their goodwill and reputation.

COUNT III: COMMON LAW UNFAIR COMPETITION

- 47. Plaintiffs repeat and by this reference incorporate each and every allegation set forth in Paragraphs 1-33 of the Complaint as though set forth in full herein.
- 48. Amazon's actions as alleged herein are likely to cause and, on information and belief, have already caused confusion among the public, and are likely to deceive and, on information and belief, have already deceived customers concerning the source, origin, sponsorship or approval of the infringing LiLash® and LiBrow® products offered on Amazon's website.
- 49. Amazon's actions as alleged herein constitute unfair competition under the common law of the State of Arizona.
- 50. Amazon has been unjustly enriched and has caused damage to Plaintiffs' business, reputation, and goodwill.
- 51. Amazon's actions as alleged herein were intentional and willful, and committed in bad faith with an intent to confuse and deceive the public.
- 52. As a direct and proximate result of Amazon's conduct alleged herein, Plaintiffs have suffered damages in an amount to be proven at trial.
- 53. Plaintiffs have no adequate remedy at law and, if Amazon's activities are not enjoined, will continue to suffer irreparable harm and injury to their goodwill and reputation.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs Cosmetic Alchemy, LLC and Stella International, LLC respectfully pray for relief and judgment against Defendant Amazon.com, Inc., as follows:

 a. For judgment in Plaintiffs' favor on all causes of action set forth herein;

- b. That Amazon, its agents, servants, officers, directors, employees, joint venturers, and all persons acting in concert with them, directly or indirectly, be enjoined from directly or indirectly infringing the LILASH Marks in any manner, including, but not limited to selling, offering for sale, advertising, or promoting eyelash and eyebrow stimulator products under the LILASH Marks or any marks confusingly similar thereto, unless such eyelash and eyebrow stimulator products are made by or originate with Plaintiffs;
- c. That Amazon, its agents, servants, officers, directors, employees, joint venturers, and all persons acting in concert with them, directly or indirectly, be enjoined from using any designation, trademark, trade name, logo, or design tending to falsely represent or likely to confuse, mislead, or deceive purchasers into believing that eyelash and eyebrow stimulator products sold, offered for sale, advertised, or promoted by Amazon originate from Plaintiffs or that such products have been sponsored, authorized, or licensed by or associated with Plaintiffs or are in some way connected or affiliated with Plaintiffs, including, but not limited to selling, offering for sale, advertising, or promoting eyelash and eyebrow stimulator products under the LILASH Marks or any marks confusingly similar thereto, unless such eyelash and eyebrow stimulator products are made by or originate with Plaintiffs;
- d. That Amazon, its agents, servants, officers, directors, employees, joint venturers, and all persons acting in concert with them, directly or indirectly, be enjoined from otherwise infringing the LILASH Marks in any manner or damaging Plaintiffs' goodwill, reputation, or business, including, but not limited to selling, offering for sale, advertising, or promoting eyelash and eyebrow stimulator products under the LILASH Marks or any marks confusingly similar thereto, unless such eyelash and eyebrow stimulator products are made by or originate with Plaintiffs;
- e. That Plaintiffs be awarded compensatory damages in an amount to be proven at trial;